

# Manufactured Home Parks

## Section 207(m)

U.S. Department of Housing and Urban Development  
Northwest/Alaska Multifamily Hub



Whether you are looking to develop or substantially rehabilitate a manufactured home park, FHA offers the key. FHA Section 207(m) insured financing will help you to better leverage your equity and to "lock-in" the park's long-term affordability now, when rates are low!

### FHA Section 207(m) features include:

- Fixed rate mortgages
- Longer term financing
  - Maximum mortgage term is 40 years
- Fully amortized loans
- No balloon payment required
- Assumable with lender's and FHA's approval
- Construction and permanent financing combined in one mortgage
- Low Annual Cost
  - FHA's annual MIP is 0.8% of the loan's outstanding balance.
- Financing for Cooperatives
  - FHA will insure loans to cooperative associations.
- Non-Recourse
- Access to capital markets. FHA's credit enhancement opens doors

### Underwriting:

- Loan to Value Ratio
  - Max LTV = 90% of the appraised value.
- Minimum Debt Coverage Ratio
  - DSC ratio > 1.11 Debt Service Coverage

April 2003



**For More Information:**  
Visit Our Website at [www.hud.gov/Washington](http://www.hud.gov/Washington)  
Sean Gallagher  
HUD-FHA Development Coordinator  
(206) 220-5208

